COMMONWEALTH OF KENTUCKY BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

| JACKSON PURCHASE ENERGY CORPORATION |)) CASE NO. 2007-00456 |
|-------------------------------------|----------------------------|
| | ,) |
| ALLEGED FAILURE TO COMPLY |) |
| WITH KRS 278.042 |) |

<u>ORDER</u>

A settlement agreement having been reached between Jackson Purchase Energy Corporation and Commission Staff, the Commission HEREBY ORDERS that the formal hearing scheduled for March 4, 2008 at 10:00 a.m., Eastern Standard Time, is cancelled.

Done at Frankfort, Kentucky, this 7th day of March, 2008.

By the Commission

ATTEST:

Executive Director